Annual Report 1998

Goldlist Properties Inc.

Grounded in Realty

Focused on Creating Communities

Corporate Profile

Goldlist Properties Inc. is a fully integrated real estate company with three key divisions – Property Ownership, Development & Construction, and Property Management. The Company's main assets are comprised of:

- *Interests in a portfolio of 18 multi-unit residential buildings with a total of approximately 5,150 suites located primarily in the Greater Toronto Area.*
- *Developments, the largest of which is Opera Place, a prestigious project encompassing one million square feet of residential condominiums and 42,000 square feet of retail/commercial space in downtown Toronto.*

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Growth in Assets

Gross Income from Revenue-Producing Properties

Net Operating Income from Revenue-Producing Properties

Financial Highlights

(in 000's except per share data)

For the year ended June 30	1998	1997
Results for the Year		
Income		
Revenue-producing properties	$ 44,823	$ 37,220
Sales of condominium units	2,134	3,184
Fees and other income	3,995	4,096
	50,952	44,500
Net operating income of revenue-producing properties	22,505	17,966
Income before gains on sales of revenue-producing properties and income taxes	7,256	3,887
Net income for the year	9,023	3,693
Earnings per share (weighted average) - basic	$ 0.91	$ 0.74
Cash flow from operations	8,450	5,088
Cash flow from operations per share (weighted average) - basic	$ 0.85	$ 1.02
Number of common shares outstanding	9,889	9,887
Weighted average number of shares common outstanding	9,889	4,981
At Year End		
Revenue-producing properties, at net book value	$ 170,256	$ 128,580
Revenue-producing properties, at appraised value (*)	298,042	212,003
Other assets	56,349	53,713
Mortgage debt relating to revenue-producing properties	160,944	139,495
Other liabilities	38,648	24,826
Shareholders' equity	27,013	17,972

* *Appraisals for 100% interest in the revenue-producing properties were received in September 1998 from an independent appraisal firm (with the exception of two properties not managed by the Company, having a management valuation of $2,020,000).*

The appraised value amount shown above has been calculated by multiplying each appraised value by the Company's ownership interest without any adjustment (whether by way of discount, premium or otherwise) where the Company owns less than 100% interest.

Caution should be exercised in the evaluation and use of appraisals as they are an estimate of existing market value. It is not a precise measure of value but is based on a subjective comparison of related activity, including various assumptions of future expectations, taking place in the real estate market.

In its first complete year as a publicly traded company, Goldlist posted its strongest-ever financial performance. It exceeded its financial forecasts as disclosed in the prospectus for its Initial Public Offering and surpassed all its growth objectives. Month by month, Goldlist was transformed from a successful privately-held company into a sophisticated high profile real estate company that is ideally positioned for unprecedented growth. Goldlist is a highly focused property owner, developer and manager of residential real estate with a clear mission and mandate from its Board of Directors and principal shareholders.

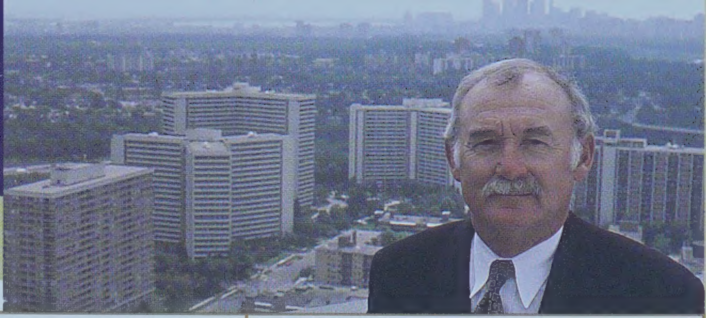
L. David Freedman F.C.A.
President & CEO

George D. Goldlist
Chairman

A Year of Record Performance

I would like to briefly highlight some of our key financial results, which are discussed more fully in the Management Discussion and Analysis section of this report.

In fiscal 1998, we generated record income before gains on sales of properties and taxes of $7.3 million, up 87% from the $3.9 enjoyed in 1997. Our final net income of $9.0 million increased from $3.7 million in 1997 and our earnings per share were $0.91 based on a weighted average of 9.9 million shares compared to $0.74 in 1997 based on a weighted average of 5.0 million shares. Cash flow from operations also increased by 66% to $8.5 million from $5.1 million in 1997. The record financial results achieved in fiscal 1998 reflect a new base of operating cash flow which we believe is not only sustainable but capable of significant increases in 1999 and beyond.



L. David Freedman, F.C.A.	President and Chief Executive Officer

A Year of Portfolio Expansion

As always, our success builds from the solid foundation provided by our strong portfolio of residential revenue-producing properties. For each of our properties, our focus is the same: long term income growth that will continue to provide increasing value for our shareholders. In 1998 we achieved our objectives as evidenced by the 32% increase in net book value of our revenue-producing properties to $170.3 million. These properties have a current market appraised value of $298.0 million which supports the long-term debt of $160.9 million. This represents a ratio of debt to market value of 54%.

Our portfolio now includes 18 residential buildings with interests in over 5,150 suites. We acquired 770 additional suites during the year and these, together with our acquisition of a 60% interest in 47 Thorncliffe Park Drive, Toronto in May 1997, contributed over $5.5 million to our revenues. We also acquired a further 52.5% interest in the office building where we maintain our head office.

We are aggressively seeking further acquisitions that will contribute to our long-term growth plan. Each opportunity is thoroughly investigated with adherence to our strong policies of better than average rates of return, high quality and future growth potential.

A Year of Portfolio Expansion

Property Management

The property management division contributes to our success in many ways. Between our own portfolio and third party contracts, the division manages 42 buildings with over 8,400 suites. By maintaining excellent relationships with our tenants and high standards in our buildings, the division has assisted us in achieving an occupancy rate averaging over 98% for the year. By controlling operating expenses and maintaining gross revenues, the net operating income from our property ownership division for the year reached a record high of $22.5 million. We will continue to expand this division by internal growth and through acquisition.

Development and Construction

In last year's Annual Report, I referred to our high-profile residential developments, Opera Place, the West Village and Leaside Green. I am pleased to report that these projects are progressing as forecast with initial deliveries scheduled for late 1998.

While our industry has experienced a series of strikes, nonetheless we have been able to work our way through the difficulties without material effect on our projected profits. These profits will be reflected in fiscal 1999 and have a significant impact on our overall earnings.

Each of these projects reveals the scope of our current activities and our aggressive commitment to seeking innovative development opportunities that provide attractive returns.

The Way Forward

Buoyed by a strong economy, low interest rates, job creation, in-migration and an increasing demand for accommodation, the real estate market in our focus area of Southern Ontario is extremely robust and we expect it to remain so well into the future.

The legislative environment has also improved significantly. The new Ontario Tenant Protection Act, enacted in June 1998, was a pivotal event. Although its full impact has not been evaluated, we consider the change to be positive and constructive. Goldlist personnel worked closely with the Ontario Government and tenants in the development of this new legislation, which has provided more flexibility for both tenants and landlords.

I am very proud of our accomplishments in 1998. Our acquisition and development programs were clearly established and will accelerate into 1999 and future years. This, together with our strong commitment to property management and our aggressive approach to residential real estate, will continue to pay strong dividends well into the future.

In Conclusion

I would like to take this opportunity to thank the employees of Goldlist for their continuing efforts to make this company what it is today. Our management team of professional and dedicated people are the foundation for our Company's future expansion and growth.

I would be remiss if I did not acknowledge our founding shareholder and Chairman, Mr. George Goldlist, for his continuing support and counsel throughout the year. And finally, Mr. Rai Sahi, Chairman of Acktion Corporation and our major shareholder has been most supportive and encouraging in our endeavors.

L. David Freedman, F.C.A.

President and Chief Executive Officer

An Overview of Properties

310 Tweedsmuir Avenue, Toronto

Residential Properties	Number of Suites	Ownership Interest	Occupancy Level June 30, 1998
85 & 95 Thorncliffe Park Drive Toronto, Ontario	988	100%	99.6%
35 Thorncliffe Park Drive Toronto, Ontario	287	90%(1)	100%
43 Thorncliffe Park Drive Toronto, Ontario	380	100%	100%
47 Thorncliffe Park Drive Toronto, Ontario	474	100%	99.8%
49 Thorncliffe Park Drive Toronto, Ontario	400	100%	99.7%
3665 Arista Way Mississauga, Ontario	458	100%	98.4%
1405 Mississauga Valley Boulevard Mississauga, Ontario	168	72.5%	100%
1423 Mississauga Valley Boulevard Mississauga, Ontario	373	29.32%	100%
1477 Mississauga Valley Boulevard Mississauga, Ontario	300	25%	100%
1547 Mississauga Valley Boulevard Mississauga, Ontario	300	25%	99.8%
1563 Mississauga Valley Boulevard Mississauga, Ontario	168	72.5%	100%
310 & 320 Tweedsmuir Avenue Toronto, Ontario	246	62.5%	95.3%
112/114 Arbour Glen Crescent London, Ontario	259	100% (2)	82.2%
812 King Street West Kitchener, Ontario	226	100% (2)	98.2%
935 Dundas Street East Mississauga, Ontario	142	100% (2)	98.6%
Total:	**5,169**		

49 Thorncliffe Park Drive, Toronto

We are proud of our properties - their architectural presence, construction quality and many amenities - and we are equally dedicated to the tenants and owners of Goldlist properties who imbue them with life and meaning.

Head Office Property	Gross Leasable Area (Square Feet)	Ownership Interest	Occupancy Level June 30, 1998
65 Overlea Boulevard Toronto, Ontario	90,000	95% (3)	95.4%

Other Properties (Industrial)	Gross Leasable Area (Square Feet)	Ownership Interest	Occupancy Level June 30, 1998
945 Wilson Avenue Downsview, Ontario	221,000	32%	95.1%
695 Woodward Avenue Hamilton, Ontario	4,000	25%	100%
Total:	**225,000**		

Residential Development Projects	Acreage	Profit Interest	Total Estimated No. of Units in Development
Opera Place Bay – Wellesley Toronto, Ontario	5.5	33%	1,000
The West Village 1191 Cawthra Road Mississauga, Ontario	36	100% (4)	1,200
Leaside Green 15 Overlea Boulevard Toronto, Ontario	3.75	50%	82

(1) The company acquired a further 50% interest in October 1997.

(2) New acquisitions during 1998.

(3) The company acquired a further 52.5% interest in May 1998.

(4) The company acquired the remaining 52.75% interest during the fiscal year.

935 Dundas Street East, Mississauga

Grounded in Realty

Business Objectives and Strategies:

Goldlist Properties Inc. is a fully integrated real estate company which owns and manages a significant portfolio of multi-family residential properties and which develops large scale residential condominium properties for sale to others. The Company has extensive experience and capabilities in the development and construction of multi-family properties having completed a total of 33 multi-unit apartment buildings containing 7,980 suites and a total of 25 residential buildings containing an aggregate of 3,188 condominium suites all in the Greater Toronto area. Goldlist also provides property management services for third parties and intends to expand this division through internal growth and acquisition.

The Company's operating philosophy is:

- To own, on a long-term basis, multi-unit residential properties that offer a combination of stability in value, predictable cash flows and the opportunity for growth in revenues and capital appreciation.
- To maximize the Company's profitability through the ongoing active management of the Company's assets and the acquisition of additional properties.
- To adhere to the principles of prudent risk management and the conservative use of financial leverage including, where appropriate, the use of long-term fixed rate debt financing which is consistent with the long-term nature of its property investments.

Property Ownership

Whether constructed by us or acquired from another owner, each Goldlist property is, in itself, a strong community strongly connected to the wider community.

812 King Street West, Kitchener, Ontario

Goldlist's Property Ownership Division is the engine that drives our success. In Fiscal 1998, our portfolio of quality properties accounted for 88% of gross revenue.

Goldlist currently has ownership interests in a portfolio of 18 multi-family residential buildings containing an aggregate of 5,169 suites. The majority of these properties are located in desirable areas within the Greater Toronto area. The Company also owns a majority interest in one five-storey office building of approximately 90,000 square feet of gross leasable area as well as interests in two industrial buildings with about 225,000 square feet of gross leasable area.

Following its strategy to expand its income property base, the Company achieved record highs in both gross rental income and net operating income from revenue-producing properties of $44.8 million and $22.5 million respectively. The occupancy level was maintained at an average of over 98% for the year.

Goldlist expanded its ownership of residential buildings by acquiring 770 additional suites through the purchase of three new properties and the purchase of certain minority interests in the Company's existing portfolio. The Company also acquired an additional 52.5% interest in its head office building. This, together with capital expenditures carried out during the year, represented an increase of 32% in the net book value of the Company's revenue-producing properties.

112/114 Arbour Glen Cresent, London, Ontario

320 Tweedmuir Avenue, Toronto

Property Ownership continued:

The new building acquisitions during the year indicate the Company's expansion from the Greater Toronto area to include Southwestern Ontario. The following are the highlights of the additions to revenue-producing properties during fiscal 1998.

October 1997 a further 50% interest in the 287-suite building at 35 Thorncliffe Park Drive, Toronto, was acquired increasing the Company's ownership to 90%.

October 1997 a 226-suite building in Kitchener was acquired. The building is located on the main street in Kitchener and is close to schools, hospitals and has excellent transportation facilities.

January 1998 a 142-suite building in Mississauga which was an opportunity that blended well with the current portfolio in that area.

March 1998 a 259-suite, two building complex in London, Ontario. This complex is situated on 9.4 acres of land and provides opportunities for future expansion.

May 1998 a 52.5% interest in the office building where it maintains its head office at 65 Overlea Boulevard, Toronto, thereby increasing its ownership to 95%. The building's occupancy level at June 30, 1998 was 95.4%.

1563 Mississauga Valley Boulevard, Mississauga

Lifestyle is a very personal thing, influenced by a host of factors from age to income. Goldlist properties are individually designed and executed to meet unique lifestyle needs – that is why they are so successfully grounded in realty.

Throughout the year, the Company invested approximately $6.9 million in its capital improvement program that included fire retrofits to comply with the higher standards set by government regulations, general property improvements and comprehensive energy conservation programs. The latter include water and lighting retrofits which will result in significant savings in utility costs in future years.

Goldlist properties are subject to the Tenant Protection Act, which was proclaimed by the Ontario Provincial government in June 1998. The final impact of the new legislation has not been fully evaluated but it is generally viewed favourably by the industry and should have a positive impact on the growth of the Company.

We feel that the additional properties, together with our on-going capital improvement program, enhance the value of our portfolio and we continue to seek further opportunities for growth while ensuring that future property acquisitions are accretive to our earnings.

Property Management

3665 Arista Way, Mississauga

Focused on serving communities

Goldlist's Property Management Division contributes significantly to our success - generating reliable cash flows, high margins and property value enhancement.

Goldlist believes its property management operations are integral to its overall business strategy. The economies of scale realized from managing more than 8,000 apartment units enable the Company to more efficiently operate its properties. In addition, the Company believes that managing properties for third parties improves the performance of its owned properties by subjecting property managers to market-based pricing and service standards. This division also supports the Company's acquisition activities by enhancing its abilities to identify and evaluate acquisition opportunities.

Arista Way, Furnished Suite

Professional and proactive property management elevates the lifestyles and satisfaction levels of our tenants and owners and ensures each property returns accretive value.

43 Thorncliffe Park Drive,
Toronto

A carefully tended flower bed. An exhilarating and safe swing into the sky. Small things, perhaps - but not to us. Perfection in the small things leads to excellence in the larger things - like tenant satisfaction and maximum profitability from each property. Our Property Management Division is instrumental in making this objective a daily reality.

The Company's property management division strives to maintain the properties in superior condition and focuses on tenant satisfaction and maintenance of quality relationships with our residents resulting in higher occupancy levels. This positive attitude has greatly enhanced the increases in revenue and net income achieved in fiscal 1998.

Property management personnel are individuals with many years of experience. They seek to provide a high level of service to residents, manage expenses through a system of detailed management reporting and with technical and trades personnel on staff, respond to maintenance calls on a timely basis. They assist in the evaluation and oversee the implementation of upgrades and improvements for both the buildings and individual units, and attain higher rental revenues as a result thereof.

As our portfolio grows, we continue to train and expand our staff for the future. Also, we will continue to seek opportunities for growth in this division through acquisition and the addition of quality personnel.

Development & Construction

Opera Place, Bay Street, Toronto

Focused on creating communities

Goldlist's Development and Construction Division has established a standard of excellence in construction and development envied by its competitors and respected by others in the industry.

Selectivity and risk management characterize Goldlist's approach to development and construction. The objective of the Company is to develop high-profile residential sites that provide better than average returns. Such selection of sites includes target market analysis and risk mitigation through phased development and the use of joint ventures with strong participants.

Goldlist currently has various projects under development and construction. They include:

Opera Place: A prestigious condominium community in the heart of Toronto, within walking distance of the University of Toronto, Queens Park and the downtown business core. The project encompasses 5.5 acres of land with approximately 1,000 condominium units (in excess of 1 million square feet), 42,000 square feet of retail space, 10,000 square feet recreational facility and a one-acre public park.

Early in 1997, construction began on the first two phases totalling 315 units and 11,000 square feet of retail/commercial space. Occupancy is scheduled for November 1998 and at June 30, 1998, over 300 units had been sold and 4,000 square feet of retail space leased.

Leaside Green, Overlea Boulevard, Toronto

Goldlist develops and constructs many of its properties. This integrated approach to real estate ensures that each property is architecturally appropriate for its site and target market, that its construction is of the finest quality and completed according to schedule and budget, and that the finished property is both elegantly attractive and community-centred.

The high-profile Opera Place development exemplifies Goldlist's development and construction philosophy. It targets a meticulously identified market segment. The buildings are uniquely designed to create a community for enjoyable and functional living in one of Toronto's most exciting city locations. Risks are controlled by phasing development and by working closely with its joint venture partners, the Ontario Realty Development Corporation and Korank Development Corporation.

Phase III, the "Allegro", a 254-unit condominium tower, is currently in the marketing phase and is scheduled to start construction in late 1998.

Leaside Green: An 82 townhouse condominium development on a 3.75 acre site situated in the community of Leaside. This site is well-served by public transportation with easy access to downtown and midtown Toronto and major transportation arteries. Leaside Green was sold out within three months of the initial marketing and sales campaign. Occupancy is scheduled for late 1998.

The West Village: A community development on the eastern edge of Port Credit in Mississauga, Ontario. This development is scheduled to include 1,200 residential units including mid-rise condominiums and apartments, townhouses and other ground-oriented housing. To date more than 200 townhouses have been built and sold, a further 68 are currently under construction, and plans are underway to commence mid-rise condominium units in the spring of 1999.

The following discussion and analysis of the financial position and results of operations should be read in conjunction with the financial statements and related notes contained in the 1998 Annual Report to Shareholders.

Overview of the Company

Goldlist Properties Inc. ("Goldlist" or the "Company") has successfully completed its first full year as a public real estate company engaged in the ownership, management and development of residential real estate in Canada. The Company commenced trading on The Toronto Stock Exchange on April 30, 1997 after amalgamation with various Goldlist family corporations.

Since it became a publicly traded company, Goldlist has increased its portfolio of suites in multi-residential real estate by more than 30% and is actively pursuing further acquisitions. Its involvement with the development of residential real estate also provides impetus for growth in management opportunities as well as the returns from the construction and development segment.

Financial Highlights

1998 achievements include:

- Revenue rises by 14% to $51 million
- Income before property gains and taxes up 87% to $7.3 million from $3.9 million
- Net income increases to $9.0 million from $3.7 million
- Cash flow from operations increase to $8.5 million from $5.1 million
- Investment in revenue-producing properties up by 32% to $170 million, at net book value

Results of Operations

Summary of results:

Total income for the current year increased by $6.5 million to $51.0 million from $44.5 million in 1997. Net income rose by $5.3 million to a record $9.0 million. Net income, before gains on sales of revenue-producing properties and taxation, rose by 87% to $7.3 million, which increase is primarily the result of the increase in the Company's portfolio of residential units.

Income and expenses relating to revenue-producing properties:

Revenue for the year increased $7.6 million, representing a 20% rise to $44.8 million. Approximately $5.5 million was contributed from acquisitions in May 1997 and during the current fiscal year with the balance from rent increases and high levels of occupancy. Occupancy levels averaged over 98% through the year.

Operating costs of revenue-producing properties increased by 16% or $3.0 million from $19.3 million in 1997. This was attributable mainly to the increase in the portfolio.

Sales of condominium units:

The most significant variable in sales of condominiums is the timing of closing of units. The time taken to construct different types of products affects the results in each year. In 1998, sales in the West Village project fell from $3.2 million to $2.1 million with a similar decrease in the related cost of sales. Goldlist has properties under development in Toronto and Mississauga. These sales will be recognized in the 1999 fiscal year.

Interest expense:

The interest charge for the year decreased by $0.2 million to $10.6 million. The decrease in bank loan interest of $0.7 million was offset by the increase in interest due to acquisitions of revenue-producing properties. The weighted average rate of interest was 7.2% (1997 - 7.3%) and 89% of the mortgages on revenue-producing properties of $160.9 million is due in fiscal 2001and thereafter.

The relationship between net operating income derived from the Company's portfolio of revenue-producing properties, which represents a steady stream of income, to total interest expense is as follows:

(in 000's)	1998	1997
Net operating income	$ 22,505	$ 17,966
Interest expense	10,581	10,817
Coverage of net operating income to total interest	2.13:1	1.66:1

General and administrative expense:

The general and administrative expenses have increased mainly due to corporate costs relating primarily to public company governance, reporting and management functions and the costs related to the early retirement of an officer of the Company.

Amortization and Capital taxes:

Amortization and capital taxes have increased primarily as a result of the acquisitions of revenue-producing properties.

Gains on sales of revenue-producing properties:

There were gains on sales of revenue-producing properties of $2.3 million in the current year (1997- $0.1 million). The Company sold its investments in two properties that it did not manage. On January 15, 1998, the Company sold its 10% interest in 33 Banner Road, Ottawa for a gain of $0.3 million. On April 15, 1998, the Company sold its 20% interest in 1 Canyon Avenue, Toronto resulting in a gain of $2.0 million. Both of these sales complied with Goldlist's plan to divest itself of minority interests in buildings that it does not also manage.

Income taxes:

The income tax expense for both 1998 and 1997 has been reduced by the utilization of accounting losses of prior years and the provisions represent the Large Corporations Tax for their respective years.

As at June 30, 1998, the Company has non-capital losses for income tax purposes of approximately $25.5 million that may be carried forward and used to reduce taxable income in future years, substantially all of which has now been utilized for accounting purposes. It also has approximately $10.7 million of net capital losses that may be carried forward indefinitely and used to reduce taxable capital gains in future years.

As noted in the preceding paragraph, substantially all of the Company's non-capital tax losses have now been utilized for accounting purposes. Therefore, although the Company is not expected to have an actual current tax liability, other than Large Corporations Tax, for a number of years, the financial statements for next year should reflect deferred taxes as a charge against earnings.

The Company is considering adopting the liability method of accounting for taxes effective in the 1999 fiscal year. The impact on the financial statements of adopting this method has not been determined at this time.

Asset Review

Revenue-producing properties and related mortgages payable

Revenue-producing properties and related mortgages payable increased by $41.7 million and $21.4 million respectively in the year to June 30, 1998. During the year, the Company acquired 770 additional suites in 5 residential revenue-producing properties for $32.4 million satisfied by cash and assumption of mortgages of $21.2 million. Refinancing, following one of these acquisitions, increased mortgages by $1.0 million. Also, a 52.5% interest in 65 Overlea Boulevard, Toronto, a 90,000 sq. ft. office building where the Company maintains its head office, was purchased for $5.2 million satisfied by cash and assumption of mortgage of $3.6 million. This acquisition raised the Company's ownership in this building to 95%.

The sale of the Company's interests in two buildings decreased the revenue-producing properties and related mortgages by $0.8 million and $2.6 million respectively.

As part of its efforts to maintain the quality of its properties and to preserve long-term value, Goldlist pursues an ongoing program of capital expenditure, some of which is recoverable from tenants under the Tenant Protection Act. During the year ended June 30, 1998, $4.9 million was invested in the ongoing program as well as a further $1.6 million in energy conservation programs in many of the buildings. This investment in water and lighting retrofits will be recovered from savings in utility costs that are expected to have a positive impact in the 1999 fiscal year.

Properties under development and for sale and related construction financing

Properties under development and for sale and related construction financing increased by $21.8 million and $7.9 million respectively in the year to June 30, 1998. The first and second phases of the Opera Place project in downtown Toronto, which is due to be completed by December of 1998, accounted for $11.5 million of the increase in costs and $7.5 million of the increase in financing. The third phase of that project is currently being marketed and accounts for $1.1 million of the increase. The construction costs of Leaside Green, an 82 townhouse condominium project in Toronto due for completion in fiscal 1999, increased by $1.9 million and the financing increased $0.9 million.

As at June 30, 1998, the Company effectively controlled 100% of the West Village project by acquiring, during the year, the remaining co-owners interests. At June 30, 1997, the Company held a 47.25% direct interest in the land valued at $5.9 million and a mortgage receivable of $6.7 million. During the current year, the mortgage receivable was also converted into a direct ownership interest in the land. After giving effect to these transactions, and reflecting dispositions and transfers to condominiums under construction, the land cost at June 30, 1998 was $8.2 million. The costs of condominiums under construction and currently being marketed as at June 30, 1998 increased by $5.0 million and the financing decreased by $0.5 million.

Lines of credit have been established for the projects under construction that will facilitate the completion of these projects; they are to be repaid out of the proceeds from sales of condominium units.

Cash and short-term investments

Cash and short-term investments decreased by $10.7 million primarily as a result of the acquisition of revenue-producing properties and capital expenditures. Approximately $2.9 million of the cash and short-term investments at June 30, 1998 was pledged as collateral for letters of credit or held in trust for deposits on sales of condominium units.

Other assets

The decrease in amounts receivable of $8.3 million from June 30, 1997 compared to June 30, 1998 was mainly due to the conversion of the mortgage receivable of $6.7 million in 1997 into a direct interest in the land of the West Village project.

Liabilities and Shareholders' Equity

Amounts payable and other liabilities

Amounts payable and other liabilities increased by $5.9 million during the year ended June 30, 1998. The increase was due to a $2.6 million increase in deposits on sales of condominium units, a $0.8 million increase in construction accounts payable, a $0.6 million increase in tenants prepaid rent as well as a general increase in corporate and property payables.

Shareholders' Equity

Shareholders' equity totalled $27.0 million at June 30, 1998 or $2.73 per share based on 9.9 million shares outstanding at the end of the year. This represents an increase of $0.91 per share from 1997.

Liquidity and capital resources

As at June 30, 1998, Goldlist has mortgages on revenue-producing properties maturing in fiscal 1999 and 2000, in the amount of $2.1 million and $8.0 million respectively. The funds necessary to meet the Company's liquidity and ongoing capital expenditure requirements totalling $19.1 million during the next two years will be the operating cash flows, which are believed by the Company to be sufficient for such purposes. Acquisition of existing and new multi-residential buildings and requirements for further development projects in accordance with the Company's business plan will be financed through cash and short-term investments, existing lines of credit available and re-financing of revenue-producing properties.

Actual Compared to Forecast for Year Ended June 30, 1998

(000's of dollars, except for per share data)

	Actual	Forecast	Variance
Income	$ 50,952	$ 47,073	$ 3,879
Expenses	43,696	40,414	(3,282)
Income before the under noted	7,256	6,659	597
Gains on sales of revenue-producing properties	2,273	-	2,273
Income before income taxes	9,529	6,659	2,870
Income taxes	506	381	(125)
Net income for the year	$ 9,023	$ 6,278	$ 2,745
Earnings per share	$ 0.91	$ 0.63	$ 0.28
Cash flow from operations	$ 8,450	$ 7,846	$ 604
Cash flow per share	$ 0.85	$ 0.79	$ 0.06

The Company's prospectus issued April 18, 1997 included forecasts for the years ended June 30, 1997 and 1998. As indicated above, the actual results for the year ended June 30, 1998, with the exception of gains on sales of properties, reflect the net increases in revenue and operating costs of the acquisitions of revenue-producing properties but did not otherwise vary materially from the forecast.

Risk Management and Outlook

There are certain risks that the Company can be expected to face in the normal course of operations.

Operational risk

In property ownership operations, the rental income and vacancies are subject to general market conditions and provincial legislation limitations. New legislation was enacted in the Province of Ontario, in the form of the Tenant Protection Act. The full impact of this legislation has not yet been evaluated but it is generally viewed as an incentive for better residential housing market conditions. The property expenses are affected by increases to operating costs as well as interest rates affecting the carrying costs of debt related to properties.

The Company's development operations are subject to cost overruns, local market conditions and general economic conditions that could affect the Company's ability to sell condominium units. Goldlist seeks to mitigate this risk by prudent and conservative selection of projects to undertake whilst avoiding the risk of land banking for future development.

Recent strikes in the construction industry have delayed certain of our projects under development. Notwithstanding the delays, Opera Place and Leaside Green are scheduled to be occupied prior to the end of the calendar year without material effect on profits.

Environmental risk

Goldlist has a responsibility to comply with all environmental regulations surrounding its business activities. Due to the nature of its primary business, that of property ownership, the Company undertakes environmental assessments of any acquisitions it is investigating or development projects under consideration.

Year 2000 Issue

The Company will be impacted by the Year 2000 issue and, accordingly, has committed internal resources and has been communicating with outside consultants to address this issue. The Company has certain computer programs that use two digits rather than four digits to recognize the applicable year and may recognize "00" as 1900 rather than 2000. However, this problem is being addressed and the Company feels that, although some disruption may occur, the Company's operations will not be adversely affected.

The Company has initiated communications with suppliers and service providers to determine the extent to which the Company may be vulnerable to such parties' failures to remediate the Year 2000 issue in their operations. There can be no assurance that the systems of other companies on which the Company relies will be converted on a timely basis. However, based on its current assessment, management believes that the Year 2000 issue will not have a material impact on the Company's future earnings or financial condition.

Outlook

During fiscal 1998, the Company continued its strategies of expanding its portfolio of revenue-producing properties, ensuring that such additions were accretive to its business and enhanced the value of the portfolio for its shareholders.

Management believes that opportunities still exist in the real estate market and the Company is actively investigating further additions of properties. Market conditions are expected to remain favorable, with continued high occupancy and low interest rate renewals on revenue-producing properties.

In management's opinion, the accompanying financial statements have been properly prepared within reasonable limits of materiality and within the framework of generally accepted accounting principles and policies consistently applied and summarized in the financial statements. Since a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgment and with all information available up to June 30, 1998. Management is responsible for all information in the annual report. Financial operating data in the report are consistent, where applicable, with the financial statements.

To meet its responsibility for reliable and accurate financial statements, management has established systems of internal control which are designed to provide reasonable assurance that financial information is relevant, reliable and accurate, and that assets are safeguarded and transactions are executed in accordance with management's authorization.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting, which responsibility it carries out principally through its Audit Committee.

The Audit Committee is appointed by the Board and the majority of the members of the Audit Committe are independent directors. The committee meets periodically with management and the external auditors to satisfy itself that each is properly discharging its responsibilities, and to review the financial statements. The committee reports its findings to the Board of Directors for consideration when approving the financial statements for issuance to the shareholders. The committee also recommends, for review by the Board of Directors and approval of shareholders, the appointment of the external auditors. The external auditors have full and free access to the Audit Committee.

The financial statements have been examined by PricewaterhouseCoopers, independent Chartered Accountants. The external auditors' responsibility is to express a professional opinion on the fairness of management's financial statements. The Auditors' Report outlines the scope of their examination and sets forth their opinion.

President and
Chief Executive Officer

Senior Vice-President and
Chief Financial Officer

August 21, 1998

To The Shareholders of Goldlist Properties Inc.

We have audited the balance sheets of Goldlist Properties Inc. as at June 30, 1998 and 1997 and the statements of operations, deficit and changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 1998 and 1997 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.

PricewaterhouseCoopers

Chartered Accountants

Toronto, Ontario

August 21, 1998

(000's of dollars)	1998	1997
Assets		
Revenue-producing properties (Note 3)	$ 170,256	$ 128,580
Properties under development and for sale (Note 4)	41,460	19,695
Cash and short-term investments (Note 5)	7,223	17,955
Amounts receivable	3,010	11,277
Prepaid expenses and other assets	3,051	3,181
Deferred income taxes	1,605	1,605
	$ 226,605	$ 182,293
Liabilities		
Mortgages payable on revenue-producing properties (Note 6)	$ 160,944	$ 139,495
Construction financing on properties under development and for sale (Note 7)	13,348	5,414
Amounts payable and other liabilities (Note 8)	25,300	19,412
	199,592	164,321
Shareholders' Equity		
Share capital (Note 9)	50,422	50,404
Deficit	(23,409)	(32,432)
	27,013	17,972
	$ 226,605	$ 182,293

Approved by the Board

Director

Director

Statements of Operations and Deficit

For the years ended June 30, 1998 and 1997

(000's of dollars, except for per share data)	1998	1997
Income		
Revenue-producing properties	$ 44,823	$ 37,220
Sales of condominium units	2,134	3,184
Fees and other income	3,995	4,096
	50,952	44,500
Expenses		
Operating costs of revenue-producing properties	22,318	19,254
Cost of condominium units sold	2,134	3,167
Direct expenses relating to fee income	2,686	2,878
General and administrative	3,525	2,491
Amortization	1,700	1,532
Capital Taxes	752	474
Interest	10,581	10,817
	43,696	40,613
Income before the undernoted	7,256	3,887
Gains on sales of revenue-producing properties	2,273	137
Income before income taxes	9,529	4,024
Income taxes (Note 10)		
Current	506	331
Net income for the year	9,023	3,693
Deficit, beginning of year	(32,432)	(31,314)
	(23,409)	(27,621)
Dividends	-	(4,811)
Deficit, end of year	($23,409)	($32,432)
Earnings per share (Note 11)		
Basic	$ 0.91	$ 0.74
Fully diluted	$ 0.88	$ 0.74

(000's of dollars, except for per share data)	1998	1997
Cash provided by (used in)		
Operating activities		
Net income for the year	$ 9,023	$ 3,693
Items not affecting cash		
Amortization	1,700	1,532
Gains on sales of revenue-producing properties	(2,273)	(137)
Cash flow from operations	8,450	5,088
Other operating items		
Properties under development and for sale	(21,765)	(12,712)
Amounts receivable, prepaid expenses and other assets	8,305	(1,920)
Accounts payable and other liabilities	5,888	1,110
	878	(8,434)
Investing activities		
Revenue-producing properties	(44,139)	(14,756)
Proceeds on sale of revenue-producing properties	3,128	2,350
	(41,011)	(12,406)
Financing activities		
Proceeds from issuance of common shares	18	48,353
Mortgages payable on revenue-producing properties	21,449	7,304
Construction financing on properties under development and for sale	7,934	(4,733)
Bank indebtedness	-	(5,668)
Loans payable	-	(3,524)
Dividends	-	(4,811)
	29,401	36,921
Increase (decrease) in cash during the year	(10,732)	16,081
Cash and short-term investments, beginning of year	17,955	1,874
Cash and short-term investments, end of year	$ 7,223	$ 17,955
Cash flow from operations per share (Note 11)		
Basic	$ 0.85	$ 1.02
Fully diluted	$ 0.83	$ 1.02

(tabular amounts in thousands)

1. The Company

Goldlist Properties Inc. (the "Company") was formed on April 30, 1997 by the amalgamation of Goldlist Development Corporation, other associated companies and certain co-tenancy interests in revenue-producing properties, owned by Mr. George D. Goldlist and his immediate family, (the "Goldlist Group"), with a company incorporated to effect this transaction. The amalgamation has been accounted for as a pooling of interests and, accordingly, the assets and liabilities of the company have been reflected on the same basis as the Goldlist Group. The results of operations and changes in financial position for the period from July 1, 1996 to April 30, 1997 reflect the combined accounts of the Goldlist Group.

As part of the reorganization, the Company paid a dividend in 1997 aggregating $4,811,306.

2. Summary of significant accounting policies

Accounting for joint ventures

The financial statements include the accounts of the Company as well as the accounts of the incorporated and unincorporated joint ventures and partnerships in which the Company holds an interest, to the extent of the Company's interest in the respective assets and liabilities as at June 30, 1998 and 1997, and revenues and expenses for the years then ended.

Revenue-producing properties and amortization

Revenue-producing properties are stated at the lower of cost less accumulated amortization and net recoverable amount. Amortization is computed for residential, industrial and commercial buildings using the sinking-fund method based on their estimated useful lives of 50 years in a series of instalments increasing at the rate of 5% compounded annually.

Appliances are capitalized and amortized on a 10% straight-line method. Major capital improvements and replacements are capitalized and amortized over terms appropriate to the expenditure.

Properties under development and for sale

Properties under development and for sale are valued at the lower of cost and net realizable value at the expected time of sale. Net realizable value represents the amount of estimated net sales proceeds, taking into account management's assumptions and projections for the development of the property and market conditions.

Capitalization of costs

Carrying costs, principally direct mortgage interest, financing fees, realty taxes and general administrative overhead are capitalized as a cost of properties under development and for sale. In accordance with general real estate industry practices, all operating expenses, net of rental revenues, are capitalized as a cost of revenue-producing properties until the 70% occupancy level is achieved.

Leasing costs

Costs incurred in the initial marketing and tenanting of a building to prepare it for its productive use are capitalized to the cost of the building and amortized as part thereof.

Condominium units

Condominium unit sales are recognized as revenue when the amount due on first closing is received in cash. At that time, the purchaser is entitled to occupancy and undertakes to assume a mortgage for the balance of the purchase price and the vendor undertakes to transfer title on registration under the Condominium Act of the applicable jurisdiction.

Land sales

Land sales are recognized as revenue when all material conditions of the related agreement of purchase and sale have been met and at least 15% of the total purchase price has been received.

Construction contracts and fees

Revenue from construction contracts is recognized on the percentage-of-completion accounting method, which recognizes revenue as work on a contract progresses, except that revenue from contracts of a fixed price nature is not recognized until projects attain a stage of completion sufficient to reasonably determine the probable results. The percentage of completion is determined by relating the actual cost of work performed to date to the current estimated total cost of the respective contract.

Costing of land and condominium sales

Costs are allocated to the saleable acreage of each land project and to condominium sales using the net yield method.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the period reported. Actual results could differ from those estimates.

Fair value of financial instruments

The carrying amounts of short-term investments, amounts receivable and accounts payable and other liabilities approximate their fair values because of the near-term maturity of these instruments. The estimated fair values of long-term debt are based on values derived using market rates of similar instruments.

Income taxes

The Company follows the tax allocation method of providing for income taxes. Under this method, timing differences between the amount of income reported for income tax purposes and the amount for accounting purposes are accounted for through deferred taxes.

3. Revenue-producing properties

	1998		
	Cost	Accumulated Amortization	Net
Land	$ 23,551	$ -	$ 23,551
Buildings	161,715	15,896	145,819
Equipment	4,190	3,304	886
	$ 189,456	$ 19,200	$ 170,256

	1997		
	Cost	Accumulated Amortization	Net
Land	$ 16,889	$ -	$ 16,889
Buildings	126,042	15,050	110,992
Equipment	3,836	3,137	699
	$ 146,767	$ 18,187	$ 128,580

4. Properties under development and for sale

	1998	1997
Housing land under development	$ 8,246	$ 7,814
Land and housing under construction	33,214	11,881
	$ 41,460	$ 19,695
Interest capitalized during the year	$ 562	$ 675

5. Cash and short-term investments

Included in cash and short-term investments at June 30, 1998 are term deposits and account balances of approximately $2,882,000 (1997 - $4,364,000) pledged as collateral for letters of credit or held in trust for deposits on sale of condominium units.

6. Mortgages payable on revenue-producing properties

Mortgages payable secured by revenue-producing properties bear a year-end weighted average interest rate of 7.2% (1997 - 7.3%) per annum. Scheduled repayments are due as follows:

Year ending June 30	Annual	On Maturity	Total
1999	$ 3,672	$ 2,073	$ 5,745
2000	3,924	7,997	11,921
2001	3,361	43,025	46,386
2002	2,523	61,343	63,866
2003	934	12,347	13,281
Thereafter	2,820	16,925	19,745
	$ 17,234	$ 143,710	$ 160,944

The fair value of mortgages payable on revenue-producing properties amounts to $162,854,000 (1997 - $141,611,000). The fair value was determined by discounting the principal and interest repayment streams of the existing debt by current renewal rates.

7. Construction financing on properties under development and for sale

Construction financing secured by properties under development and for sale bear a year-end weighted average interest rate of 7.8% (1997 - 5.9%) per annum. This financing has been drawn from available lines of credit established to facilitate the completion of the projects under development and are to be repaid out of the proceeds from sales of condominium units.

8. Amounts payable and other liabilities

Amounts payable and other liabilities comprise the following:

	1998	1997
Accounts payable and accrued liabilities	$ 13,459	$ 9,206
Deposits on sale of condominium units	7,867	5,335
Tenants' prepaid rents	3,488	2,890
Amounts payable to joint venture participants	260	696
Provision for future costs on land under development	226	1,285
	$ 25,300	$ 19,412

9. Share capital

Authorized
The Company is authorized to issue an unlimited number of common shares.

Issued

	Number of shares	Amount
Balance as at July 1, 1996	-	$ 1
Issued in connection with reorganization (a)	4,000	1
Issued in connection with public offering, net of costs (b)	5,800	49,615
Issued for acquisition of specific property interests (c)	88	787
Balance as at June 30, 1997	9,888	50,404
Issued for cash under share option plan	2	18
Balance as at June 30, 1998	9,890	$ 50,422

(a) Reorganization
On April 30, 1997, in connection with the amalgamation, the share capital of the Goldlist Group was reorganized. The outstanding shares of the Goldlist Group were cancelled and 4,000,000 shares of Goldlist Properties Inc. were issued to the shareholders of the Goldlist Group and certain officers and directors.

(b) Public offering
On April 30, 1997, the Company completed a public offering of 5,800,000 common shares at $9 per share for an aggregate consideration of $52,200,000. The Company incurred offering costs amounting to $2,584,728, net of a deferred tax benefit of $2,050,000.

(c) Acquisition of specific property interests
In connection with the public offering, the Company issued 87,502 common shares at $9 per share for the acquisition of specific property interests held by certain directors and officers of the Company.

Share incentive plan

The Company has established a share based arrangement designed to provide incentives to directors, officers and employees of the Company. An aggregate of 988,750 common shares are available for issuance under options to be granted under the stock option plan. The exercise price per common share in respect of which an option is granted cannot be less than the weighted average trading price of the common shares on The Toronto Stock Exchange for the five trading days preceding the date on which the option was granted.

As at June 30, 1998, 678,000 (1997 - 680,000) stock options were granted, exercisable at $9 per share, expiring April 29, 2002. The options vest over 4 years and 236,000 (1997 - 102,000) have been vested as at June 30, 1998. During the year, 2,000 stock options were exercised.

10. Income taxes

The combined Canadian federal and provincial corporate statutory income tax rate for the year ended June 30, 1998 is 44.6% (1997 - 44.6%).

The following is a reconciliation of income taxes, calculated at the above rates, with the total income tax provision:

	1998	1997
Income taxes at statutory rate	$ 4,250	$ 1,795
Large Corporations Tax	506	331
Non-taxable gains	(264)	-
Non-deductible expenses	17	154
Utilization of tax losses	(4,003)	(1,949)
	$ 506	$ 331

The Company has non-capital losses for Canadian income tax purposes of approximately $25,521,000 which may be carried forward and used to reduce taxable income in future years and expire as follows:

1999	$ 3,059
2001	834
2002	17,516
2003	4,112
	$ 25,521

The potential benefits of $25,515,000 of these tax losses have been recognized for accounting purposes.

The company has net capital losses for Canadian income tax purposes of $10,741,000 which may be carried forward indefinitely and used to reduce taxable capital gains in future years. The potential benefits of these losses have not been recognized for accounting purposes.

11. Earnings and cash flow from operations per shares

Earnings and cash flow from operations per share have been calculated using the weighted average number of shares outstanding during the year (1998 - 9,889,169; 1997 - 4,981,000).

12. Joint ventures

The following amounts represent the Company's proportionate interest in incorporated and unincorporated joint ventures and partnerships:

	1998	1997
Assets	$ 69,762	$ 54,078
Liabilities	57,126	41,742
Income (a)	15,126	12,555
Expenses	10,198	10,550
Income before taxes	4,928	2,005
Cash flow from		
Operating activities	(7,458)	(782)
Investing activities	837	(435)
Financing activities	6,875	2,050

(a) Income includes gain on sale of revenue-producing properties as applicable.

The company earned fee income and acquired interests in properties from the other participants in joint ventures and noncontrolled partnerships as follows:

	1998	1997
Fee income earned	$ 1,276	$ 1,542
Acquisition of revenue-producing properties	11,685	13,591
Acquisition of property under development and for sale	5,997	788

13. Rent review legislation

The company is subject to, and believes it has complied with, the residential tenancy legislation of the Province of Ontario.

14. Contingent liabilities and commitments

The Company is contingently liable for the other participants' share of incorporated and unincorporated joint ventures and partnerships in which it participates. The other participants' share of the assets of the partnerships and joint ventures is available for the purpose of satisfying such obligations.

Within the normal course of business, the group has commitments to complete servicing requirements with its housing land under development and revenue-producing properties. These commitments have been guaranteed by irrevocable letters of credit amounting to $2,815,000 (1997 - $1,957,000) as at June 30, 1998.

15. Uncertainty due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect the Company's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the Company, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.

16. Segmented disclosures

Goldlist Properties Inc. is an integrated real estate company focused on the residential market in southern Ontario which has three reportable segments:

- ownership of a portfolio of revenue-producing properties
- development and construction of new buildings and communities
- property management for the company's own portfolio and for third parties

The following table sets out the relevant information about reportable segment income and segment assets:

Income (Expenses)

	Revenue (i)		Segment Income	
	1998	1997	**1998**	1997
Property Ownership	$ 44,823	$ 37,220	$ 22,505	$ 17,966
Development & Construction	2,134	3,184	-	17
Property Management	3,995	4,096	1,309	1,218
	50,952	44,500	23,814	19,201
Interest expense			(10,581)	(10,817)
Amortization			(1,700)	(1,532)
General and administrative			(4,277)	(2,965)
Gains on sales of properties			2,273	137
Net income before income taxes			$ 9,529	$ 4,024

Identifiable Assets

	1998	1997
Property Ownership	$ 175,082	$ 133,617
Development & Construction	44,741	32,471
Property Management	367	110
	220,190	166,198
Unallocated corporate assets	6,415	16,095
Total company assets	$ 226,605	$ 182,293

(i) Revenues relating to the property management segment are reflected net of intersegment fees charged to the property ownership segment of $3,570,000 (1997 - $2,862,000.)

George D. Goldlist ✶
Chairman of the Board

L. David Freedman F.C.A. ✶
President and Chief Executive Officer

K. (Rai) Sahi ▲ ✶
Chairman and Chief Executive Officer
Acktion Corporation

James M. Tory, Q.C. ●
Partner
Tory Tory DesLauriers & Binnington

David A. King ● ✶
President
David King Corporation

Lloyd S. Fogler, Q.C. ●
Partner
Fogler, Rubinoff

Bernard I. Ghert ▲ ✶
President
Ghert Realty Holdings Ltd.

Dr. Edward P. Neufeld ▲ ●
Economist

Fraser A. Berrill
Vice President
Corporate Development
Acktion Corporation

Lawrence Tanenbaum
President and Chief Executive Officer
Kilmer Van Nostrand Co.

Committees of the Board of Directors:

✶ Executive Committee
▲ Audit Committee
● Governance and Compensation Committee

Officers

George D. Goldlist
Chairman of the Board

L. David Freedman
President and
Chief Executive Officer

Timothy J. Walker
Senior Vice-President,
Chief Financial Officer and
Secretary Treasurer

Terry Lustig
Vice-President
Development and Marketing

Annette Fogle
Vice-President
Property Management

Harry Lane
Vice-President
Construction

Eva Chan
Vice-President
Accounting and Administration

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Transfer Agent and Registrar
Montreal Trust
Company of Canada
Toronto, Ontario

Auditors
PricewaterhouseCoopers
North York, Ontario

Legal Counsel
Fogler, Rubinoff
Toronto, Ontario

Trading Symbol
GPP

Listing
The Toronto Stock Exchange

Annual Meeting
The Annual Meeting of Shareholders will be held in Toronto, on Thursday, November 5, 1998 at 4:00 p.m. in The Main Boardroom, Third Floor, 65 Overlea Boulevard.

For More Information
Additional copies of the Annual Report can be obtained through the Head Office.

For further information about the Company, write to Investor Relations or call (416) 421-3020.
Fax: (416) 421-8408
E-Mail: gpi@goldlist.com

Senior Management Team

From left to right:

Timothy J. Walker
Senior Vice President
CFO

Harry Lane
Vice-President
Construction

Annette Fogle
Vice-President
Property Management

Eva Chan
Vice-President
Accounting and Administration

Terry Lustig
Vice-President
Development and Marketing

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